

FARMERS' ALLIANCE.

ALLIANCE NOTES.

—Stand up for liberty.
—Vote for justice and equality.
—Strike for your homes, your country and your native land.
—The November election is close at hand and the populists are gaining ground every day.
—The Alabama correspondent of the Atlanta Constitution declares that he has been able to find but one "confident democrat" in that state. He quotes several who fix Weaver's majority at from 40,000 to 50,000.
—Alabama has got her fighting clothes on. Our exchanges from that state are confident of victory. There will undoubtedly be people's party congressmen elected from some of the districts, and the state will give her vote to Weaver and Field.—Kiowa (Kan.) Review.
—The plain people in this country have become satisfied that something must be done, or our republic is gone. They are determined to have a hand in the future management of national affairs. The plutocrats need not soothe themselves with the idea that this movement is ephemeral and will disappear after November. If we are not successful in November next it will only serve us to redoubled energy. We are in it to stay, and don't mistake us.
—The Whippers in.—These arrogant specimens of political shysterism are busy now, and the party lash is swinging the air in every direction. The usual "slave drivers" have been found entirely inadequate to the present emergency, and grave judges, dignified senators, and pompous congressmen have reached down and seized the party whip. But they find the people more stubborn than they ever were before, and the number of kickers is increasing every day.—Mt. Vernon (Ill.) Progressive Farmer.
—The south is in the process of disunion; that a social and political revolution is going on is apparent to any one who makes a careful study of the existing conditions in Georgia, Alabama, the two Carolinas and Virginia. It is a revolution more profound than that which is going on in the west, where the imminent political changes are due almost entirely to enlightenment of the masses on the single public question of robbery by taxation; for in the south the changes embrace realignment of races and castes as well as of parties.—Cor. Chicago Herald (Dem.).
—The following from the New York Tribune, Whitelaw Reid's paper, shows plainly where Harrison and Reid's sympathies lie: "The president's letter of acceptance calls forth a chorus of enthusiastic approval. Mr. Harrison's clear cut and incisive utterances appeal with special force to men engaged in commercial and financial operations and they are quick to appreciate the vigor and strength with which he elucidates, defends and enforces the principles of the republican party. The feeling awakened in Wall street by this message to the American people was truly remarkable."
—In Georgia the republicans voted with the democrats for governor. Why was this secretly done? Because the election is on local issues the republicans could do nothing to themselves and the election coming so soon before the presidential election the national republican committee wanted to make the democratic showing as large as possible in the hope of getting Kansas back into line. Their vote for governor would count for nothing anyway and they could afford to give it to the democrats. If it would create a stampede in Kansas and give the state to Harrison. As evidence of this scheme we hear republican papers saying: "Look at Georgia. Solid south," etc. Those managers are great schemers, they are.—Kiowa (Kan.) Review.

A SIMPLE PROPOSITION.

The Money Now Paid as Transportation Charges Will Pay for the Roads in Sixty Years.
A great many two-by-four demagogic statesmen, who pride themselves upon their abnormal brain development, are prancing about the country and ridiculing the idea of government ownership of railroads. These modern Solomons, with owl gravity, declare that it is ridiculously impossible for the people to buy and pay for the railroads. And yet it is a plain and simple problem.

To illustrate the simplicity of the problem and the ease with which it may be solved, we here reproduce portions of an article which was very generally published just about one year ago. It will be noticed that it is the year 1889 the article deals with, but the same arguments and almost the same figures will apply to the year 1891, as the population and the gross and net earnings of the railroads have increased in just about the same ratio. We quote:

"At the close of the fiscal year ended June 30, 1889, the cost of the railroads proper (not including real estate and other investment) and deducting the amount of railroad stocks and bonds held by the railroad corporations, was something less than eight billion of dollars. When I say 'cost' I mean 'capitalization,' represented by stocks and bonds held by so-called 'innocent purchasers.'"

The gross earnings of the roads for the year, in round numbers, were \$900,000,000, and the net earnings, also round numbers, were \$320,000,000.
To simplify the matter and avoid lengthy argument, we will assume that the people bought the roads, water and all, for \$8,000,000,000, in United States two and one-half per cent. bonds, payable at the option of the government after ten years. It is to be understood that freight and passenger rates are to be kept so adjusted that no greater sum than \$950,000,000 shall be collected each year. This plan would call for an annual interest payment of \$300,000,000, and an annual sinking fund of \$100,000,000. Now what do we find? The net annual receipts are exactly large enough to pay the \$300,000,000 in interest and provide a sinking fund of \$100,000,000 each year, which we will assume, for the nonce, is swelled by savings effected

in operating expenses to an annual sinking fund of \$100,000,000, amounting at the end of the first decade to \$1,000,000,000, being the amount of the first installment of bonds. Now note this fact: While there has been no apparent reduction in rates there has been a very material actual reduction in rates. Upon a basis of 60,000,000 population for the fiscal year ended June 30, 1889, the per capita cost of railroad facilities for the nation was just \$16. For the year ended June 30, 1890, the population would be, say 60,000,000, and the per capita cost of railroad facilities \$12—a reduction of 25 per cent. At the end of the second decade, or twenty years, another one-fifth of the cost of the railroads would be paid, and as the population would be increased to probably 100,000,000, while the gross cost of railroad facilities remained at \$900,000,000—the same as for the year 1889—the net per capita rates would be \$9.00, a reduction of 30 per cent., or a gross per capita reduction for the twenty years of 40 per cent., and so on to the end of fifty years.

In explanation of above it may be stated that it will be readily seen that the increase of population and consequent density of settlement would be accompanied by a corresponding increase of freight transportation and railroad travel; so that, while the gross amount collected from the people annually would remain the same, there would nevertheless be a steady reduction, year after year, in freight rates per hundred or bushel, etc., and a corresponding reduction in passenger rates. I trust that I have made it plain that the people could buy the railroads, even at the price of their present fictitious

for the ten years of \$2,000,000,000—which would give a probable per capita circulation of \$45.

There appeared in the August, 1891, number of the Arena an article upon the subject under consideration, prepared by C. Wood Davis, who is known to be an experienced railroad man and an accurate and well informed authority upon railroad statistics.

In the course of the article in question, Mr. Davis presents a carefully prepared "schedule of savings," which would or could be effected by government ownership and operation. I shall, therefore, take the liberty of using his "schedule of savings," in the summary or recapitulation which I shall now offer, in which I hope to make the justice, necessity and feasibility of the people's ownership and operation of the railroads so plain that "a wayfaring man, though he be a fool need not err therein." Mr. Davis' schedule is as follows:

Saving in consolidation of depots and staffs.....\$20,000,000
Savings in exclusive use of short-line routes.....25,000,000
Saving in attorney's salary and legal expenses.....12,000,000
Saving in abrogation of the pass evil system.....30,000,000
Saving in abrogation of the commission system.....20,000,000
Saving in dispensing with high salaried presidents, managers, etc.....20,000,000
Saving in abolishing traffic associations.....4,000,000
Saving in abolishment of (all but local) offices.....10,000,000
Saving in fire-insurance of advertising accounts.....5,000,000
Total.....\$161,000,000

It will be noticed that the total saving in "operating expenses," as scheduled by Mr. Davis, is \$160,000,000 a year.

For the year ended June 30, 1889, the "gross earnings of the roads were \$900,000,000; net earnings, \$320,000,000

FOOLISH BOORBONS.

The Boorbons in Both Old Parties Think Their Party Ties Will Still Suffice to Bind Populists.

One of the peculiarities of the present political situation is the hallucination on the part of the twin frauds which causes them to believe that old party ties are yet "dear to the heart" of people's party men. The two old parties do not seem able to comprehend the idea that populists have renounced their allegiance to them and, while supremely interested in the success of their own party, are utterly indifferent as to which one of the twin frauds gives up the ghost first. Thus the Kansas City Mail, a partisan democratic paper of the ultra Bourbon stripe, says:

Mr. Weaver must know, for he is not a fool, whatever else he may be, that the only thing possible for him to accomplish in Missouri is the defeat of the democratic party by the triumph of the republican party. If he and his assistants can induce a sufficient number of Missouri democrats to leave their old comrades and party and vote for Leverett Leonard, the third party nominee, he can succeed—in what? In electing William Warner, a high tariff, bitter republican partisan, governor of Missouri. This much and no more is the bare possibility of Weaver's efforts in Missouri. So there is manifestly nothing to be accomplished by this variegated many-colored politician and office-seeker in Missouri, but the possible election of a republican governor in Missouri.

The Mail evidently does not understand that next to winning a victory over both the old parties, nothing could please the populists better than to overturn the existing state of affairs not only in Missouri, but in all other states, turning out the party in power and breaking up the rings and combines that seek to establish its perpetual reign.

A true people's party man is a populist from principle, and both of the

STAND UP AND BE COUNTED.

A Vote For the Right is Never Thrown Away—Something For the People to Remember.

"Don't throw away your vote," is what the people's party voter will have dinged dinged into his ear from now till election day.

To the people's party man who has formerly been a republican the republican politician will plead with him: "Don't throw away your vote; a vote for Weaver is a vote for Cleveland."

To the people's party man who has formerly been a democrat the democratic politician will argue in this way: "Your principles are all right, but you can't possibly elect Weaver. Vote for Cleveland and help us beat Harrison."

There are lots of men who believe our principles to be right and that our candidates are honest, intelligent, brave and patriotic, but they will be led astray by just such pleadings as above quoted, and will try the old parties "just once more."

Don't throw away your vote—but a vote for the right is never thrown away, though it may be in the minority.

Your old party (whether you have been a democrat or republican) has been lying to you for a quarter of a century, and you know it.

It has promised you this, and that and the other thing and its promises have not been worth the paper written upon, and you know it.

It has promised reform and it has not reformed, and you know it.

And it has made mighty little difference to the monopolists which old party was in power, and you know it.

And it has made no difference to the people which party was in power, and you know it.

Jay Gould testified in court a few years ago that in democratic districts he was a democrat, in republican districts he was a republican—but you may bet he was a Jay Gould man all the time.

"The public be d—d," no matter which old party is in power, and you know it.

But it would make a difference to the monopolist if the people's party should get in power, and you know it.

Never, in any country on God's green earth, has the concentration of wealth into the hands of the few been so rapid as in this fair country of ours in the past twenty years, and you know it—if you have studied history.

Unless there is a change what will be the outcome? The republic itself is in danger, and you know it.

History repeats itself, and you know it.

Yet, you are now wavering—fearing that a vote for home and native land is a vote thrown away.

Coward! You are fit to be but a hewer of wood and a drawer of water for the monopolists all the days of your life—but it is too bad that you should vote Betsey and the babies into slavery too.

Mortgages increasing on every hand and "satisfied" only by foreclosure, and the lot of the producer getting harder and harder year by year, and you know it by history, by your own experience, by evidences all around you, and yet, you meekly cower, you are afraid of voting for a remedy, for fear your rotten old political party will get beaten by the other rotten old political party—when both are as near alike as two peas from the same pod, and both worm-eaten—and that it does not make a particle of difference to you or to the monopolists (though your interests are widely different) which wins, and you know it, and you realize it when you think about it.

Don't be hoodwinked by the flim-flam of the whang-bang noise of the campaign!

There are enough men who believe in our principles to elect our national and every state ticket in the union—but the fool cowards are afraid of "throwing away their vote!"

All they lack is some of Jackson's "by the eternal" in their veins, and sand in their craws.

However, there are enough of us who have left the monopoly camps who will stand up and be counted to throw the election into the house—and if we don't win there this time we will have enough men in congress to forestall evil legislation, and our growth will encourage the weak kneed to come over and join our forces and in 1896 the people will get control of and make this a government of, by and for the people as sure as there is a God in Israel.

Stand up and be counted, or brand yourself on your forehead, "Coward!"—Chicago Sentinel.

A GRADUATED INCOME TAX.

It Would Place the Burden of Taxation Upon Those Best Able to Bear Them.

Now that the people are awakening to the appalling fact that a few thousand corporations and individuals are rapidly absorbing the created wealth of the country, the question arises: Is there a remedy? We believe there is an adequate and rational remedy.

We do not coincide with the views of those who would arbitrarily limit the accumulation to \$1,000,000 or \$5,000,000. Nor would we suggest any course that would have the effect of crushing out that spirit of enterprise and go-ahead which has done so much to put the United States in the front rank of the world's great nations.

One of the remedies that we would suggest is this: Limit the life-time of corporations, say to twenty-five years, with no power of renewal. This would put a quietus upon those creatures that "have no souls and never die." Corporate wealth would then become dissipated and be scattered among the various natural or legal heirs, in about the same time it does the property which belongs to individuals. In other words, limitation would play havoc with corporate wealth the same that death plays havoc with individual accumulations.

Another remedy, and the principal one that we would depend upon, is this: The adoption of a graduated income tax. Exempt all net annual incomes less, say, than \$2,000. Levy a tax of 5 per cent. on incomes from \$2,000 to \$10,000. When \$10,000 is reached increase the tax to 10 per cent. on all above \$10,000 and up to, say, \$30,000. On \$30,000

up to \$50,000 increase the tax to 15 per cent. On all incomes from \$50,000 to \$100,000 make it 20 per cent., and on all incomes over and above \$100,000 make the tax 25 per cent.

The above rate of increase may be susceptible of improvement. Our figures are principally for illustration—though our judgment is that the rates we have given are not far out of the way.

The system then would work something like this: John Smith, who is a merchant in a small town of a few thousand inhabitants, seldom makes enough in his business, over and above all bad debts, rents, local taxes, wages to employees, living expenses, etc. (all of which would be deducted from his gross income), to lay aside as net income \$2,000 per year. But suppose we find here and there one who makes \$3,000 why, such a one would have to pay 5 per cent. on all over and above \$2,000—which amount is exempt—or, in other words, 5 per cent. on \$1,000. This would be simply \$50 out of his net income of \$3,000. He would have \$2,950. The \$50 would never be missed by a man who has made \$3,000.

Suppose we find a man who has made \$37,000 clear net profit in a single year. Deduct the \$2,000 which is exempt, and it leaves \$35,000 subject to taxation. On the first \$5,000 levy a tax of 5 per cent., making \$250; on all above \$5,000 and less than \$20,000 (which is \$20,000) levy a tax of 10 per cent., making \$2,000; on all over \$20,000 (which would be \$3,000) levy a tax of 15 per cent., making \$450. The total amount of taxation would be the sum of \$250, and \$2,000, and \$450—or, \$2,700. This \$2,700 is the amount which a \$37,000 net income would pay.

It would be quite a large tax to be sure, but he would still have \$34,300 left and certainly no man ought to complain who has a clean net income of \$34,000 in a single year.

He could spare that \$3,000 better than a man who works for \$2 per day can afford to pay even 50 cents tax on what sugar his family uses in a whole year. And the payment of this \$2,700 into the public treasury would take that much off the shoulders of the poorer classes who pay their taxes in small amounts. It would be like giving the small ox the long end of the yoke.

Suppose again, that we take a man who has an income of half a million. As we have seen in the above calculation, there would be \$2,350 on his income up to \$30,000. Then on the excess of \$30,000 and up to \$50,000 there would be a tax of \$3,000; on the excess of \$50,000 up to \$100,000 there would be \$10,000 (the rate being 20 per cent.); and on the excess of \$100,000 up to \$500,000 there would be \$100,000—the rate being 25 per cent. The total amount then would be \$115,350. This is what a man who made \$500,000 in a single year would have to pay into the public treasury.

Well, of course, such a man, unless he was a natural born patriot like Peter Cooper, would squeal. But if he squealed just take him by the ear and say: See here, Mr. Hog, you have got \$394,750 left, and if you are not satisfied to live in a country whose business opportunities will enable you to clean up that amount in a single year, then you had just better emigrate to some other country where you can do better.

Not only would such a graduated income tax take the great burden of taxation from the backs of those least able to bear it and put it upon the shoulders of those best able to bear it, but it would serve to equalize the possession of wealth—or rather prevent the vast accumulation of wealth in the hands of a few.

Of course taking one dollar from the pocket of one man and putting it into the pocket of another brings those two dollars nearer together. If 10,000 corporations and individuals had to pay \$100,000,000 per year into the public treasury of the people's government it would bring the 10,000 corporations and individuals \$200,000,000 nearer the people.

The Vanderbilts and Goulds would find themselves weighed down the same as the trotting horse with a light-weight driver is handicapped in a race. Take 25 per cent. from their incomes every year and they would find it a much longer road to the coveted goal of a billionaire fortune.

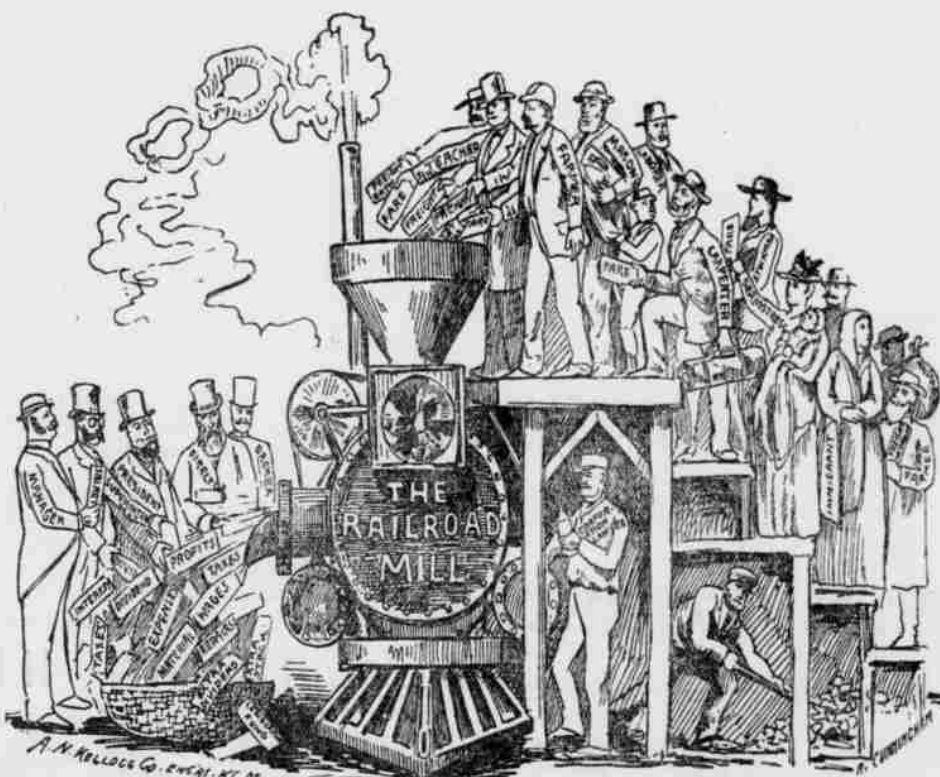
We have not the data at hand to show even approximately what the aggregate tax would be from incomes, but we venture to say that, with the public debt wiped out and the interest stopped, it would pay the entire expense of the general government. We believe that a careful consideration of this subject will convince any candid mind that a graduated income tax would be a rational, equitable and effective method of preventing the vast accumulation of wealth in the hands of the few.

The system is not an experiment. It has been tried (though not the graduated feature of it) in this country, but because it was a poor man's law it was repealed during the memorable period when a wave of official corruption and plunder swept like an epidemic over the country. It has also been adopted and is now in use in other countries.—Chicago Express.

Silly Rot.

Fill up your gold bug papers with that silly rot about a vote for Weaver being a vote for Harrison if you are in the Cleveland ring, or a vote for Weaver being a vote for Cleveland if you are in the Harrison ring. You can't think of anything more silly. It will have about as much effect as anything else you can say, and it won't do anybody any harm. It will just bind you that much closer to your master, the devil, who always did love a lie. And then you can't say anything in that class of papers that will reach the people anyway! You have lived to them so long and so persistently that the people have no confidence in you; and now, when they want information they will go to a friend, and not a monopoly hireling.—Tipton (Ind.) Alliance Dispatch.

The box-toed, cigarette-smoking and beer-guzzling politicians of North Carolina are down in the mouth. They see that the reform movement is now too far ahead to be overtaken. The great common people have been educated.—Baleigh (N. C.) Progressive Farmer.



RAILROAD CORPORATIONS PAY NO TAXES.

All Taxes Levied Upon Income Producing Properties, or Utilities, Are Shifted on to the Patrons and Users of Such Utilities.

"Government pays no taxes on any of its property. As it now is, the railroads pay a large proportion of the taxes for the expenses of running the state, the counties and the schools. The railroads now pay not less than \$2,000,000 taxes in Kansas. If the government owned them, they would pay not a cent, but that amount of money would come out of the pockets of the farmers and other citizens of the state."—J. W. Ady, at Wichita, Kan., October 3, 1892.

Rails!!! Taxes, being one of the "fixed charges" of railroads are included in the item "operating expenses," and are paid by the patrons of the roads. The only taxes which cannot be shifted are a poll tax; a tax upon net incomes; a tax upon land which produces no income; (such as unused vacant lands and residence sites occupied by their owners); and a tax upon personal property kept for use and not for profit. Even under private ownership, untaxed railroads could and would reduce transportation rates by just the sum of the taxes they now pay.

capitalization, represented by stocks and bonds, and yet not be more than fifty years in paying for them, while rates would be reduced "at least one-fourth" the first ten years.

Now, I want to notice one other feature of this programme. The accumulation and setting aside of an annual sinking fund, amounting to \$100,000,000 each year, would, if no provisions were made to counteract the effect, retire from circulation during the first decade the enormous sum of \$1,000,000,000. How, then, shall we obviate this difficulty? We can do this—make of the sinking fund the vehicle or means for the inauguration of the land loan system demanded in the platform of the people's party and also an easy method of increasing the volume of currency, slowly and conservatively, in accordance with the people's demands.

How can we do this? Accord to both gold and silver free and unlimited coinage, continuing the present system of issuing either coin, or gold and silver certificates, at the option of the owner of the bullion. Then as fast as gold or silver coin or certificates are received and sunk into the railroad sinking fund, pay out upon legal appropriations United States full legal tender paper money in the same amount to take the place of the gold and silver held to redeem the railroad purchase bonds, which should be loaned to farmers upon their productive real estate, making the loans become payable in nine, eight, seven, six, five, four, three, two and one year. Bear in mind, however, that the redemption of any certain amount of bonds at the end of ten years would not be obligatory, but optional on the part of the government.

We are said to have now, in round numbers, about one billion dollars in gold and silver money, and with free coinage of silver the two metals may be relied upon to furnish \$60,000,000 additional each year. Under the operation of the system I have outlined, \$100,000,000 in gold and silver will be loaned to the people each year, while during the same year the currency volume would be inflated in the sum of \$100,000,000 in United States legal tender money, such money being "booted on taxes," and redeemable in United States one per cent. interest-bearing savings bonds of small denominations. At the end of a decade \$1,000,000,000 of such money would be in the hands of the people. While the stock of gold and silver money would have been increased by the sum of \$600,000,000, making a total increase

(both round numbers). The amount, \$900,000,000, given as "gross earnings," does not include the amount paid by the people to the railroads for the transportation of the mails; therefore such item is not a factor in the calculation. The case would stand thus:

Present operating expenses.....\$640,000,000
Deduct Mr. Davis' schedule of savings effected.....100,000,000
Net operating expenses.....\$540,000,000

Gross earnings.....\$900,000,000
Deduct net operating expenses.....\$540,000,000
Net earnings.....\$360,000,000
Deduct interest account.....20,000,000

Surplus.....\$340,000,000
Deduct sinking fund.....100,000,000
Available net annual surplus.....\$240,000,000

At the end of ten years one-fifth of the cost of the roads would be paid, while the population having increased to 80,000,000, the per capita cost of railroad facilities would be reduced from \$16 to \$12, a gross reduction of 25 per cent. and an average annual reduction of 3 1/2 per cent., while the "net annual surplus" would furnish a fund of \$120,000,000 a year for all necessary uses.

The bonds being now payable at the option of the government, the sum of \$100,000,000 of such bonds would be paid each year, thus effecting an annual reduction in interest charge of \$4,000,000, and adding that amount each successive year to the surplus revenue and saved interest fund of the year before, such saving in interest charge and the net annual surplus amounting during the last forty years of the fifty years' term to the enormous sum of \$9,320,000,000—or an average of \$230,000,000 each year for the term of forty years. This fund, thus furnished, would build all necessary additional trackage, and also construct second or double tracks to our principal trunk roads, and would furnish a fund for the payment of any additional force of employees that might be employed, as well as shortening the hours of labor and increasing the wages of those already employed.

At the end of fifty years the roads would be fully paid for, and the whole sum of \$900,000,000 be available for operating expenses, which is equivalent to saying that the people would get their railroad facilities at cost. The population having increased at the expiration of fifty years, or in the year 1890, to at least 90,000,000, the cost of railroad facilities with one-half as much more mileage than at present, or 240,000 miles, and a gross annual charge of \$600,000,000 would be \$4.50 per capita, a reduction of 70 per cent. from the present rate. So mote it be.—Exchange.

twin frauds are antagonistic to the populists to which he owns allegiance. In striving for the success of the people's party and the principles it represents, the sincere populist does not care one continental which one of the "organized hypocrites" is damaged the most by the campaign of the people's party. Moreover, a populist who has burned his bridges behind him and is marching through the enemy's country toward the promised land, would not turn his hand over to be able to dictate which one of the old parties should retain or assume control in any state or in the nation at large.

But the sophistical imbecility of the Mail's argument is best apprehended when it is remembered that populists are just as anxious and try just as hard to win converts from one old party as the other. Indeed, it may safely be said, that as a rule the voting strength of the people's party is drawn, in about the same proportion or ratio to its numerical strength, from each one of the two old parties, so that unless the populists should become strong enough to gain a plurality over both of them, their relative strength to each other, or the result of an election, would not be materially changed. For every heretofore democratic county in the state of Missouri, where a majority of the voters have gone into the people's party, an erstwhile republican county can be cited where the same condition prevails.

The Mail insults the intelligence of the populists in propounding such a gauzy, transparent proposition. It is nothing more nor less than an ill-disguised appeal to that hidebound partisan prejudice which, since the war, has kept the people fighting each other while the plutocrats robbed them of the products of their toil. No sincere or well informed populist will pay any attention to this despairing appeal, but, supremely indifferent as to whether Lawyer Stone or Lawyer Warner is elected governor of Missouri, every true people's party man will follow his principles to the ballot box and cast a vote for God, humanity and Mollie and the babies.

GEORGE C. WARD.

—The solid south is broken. The people's party was the instrument that perfected the deed. It will be no easier for Cleveland to carry a southern state than it will for Harrison to receive the electoral vote of the silver states.—Bethany (Mo.) Labor Herald.

—Down with the imperialism of plutocracy; up with the rights of the people.—People's Party Paper.